

FISCAL NOTE

HB 3123 - SB 3451

February 18, 2008

SUMMARY OF BILL: Requires the State Board of Education in consultation with the Department of Labor and Workforce Development to establish a three-year pilot program in each Grand Division that provides evening classes for high school students in career and technical education. Requires the State Board of Education to report on the progress and final results of the program to the General Assembly with an interim report due on January 15, 2012, and a final report due on January 15, 2013.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$147,900/FY08-09, FY09-10, FY10-11

Increase Local Expenditures* - \$69,800/FY08-09, FY09-10, FY10-11

A more precise cost estimate is not possible because the State Board of Education has not provided any information to assist in the preparation of this fiscal note.

Assumptions:

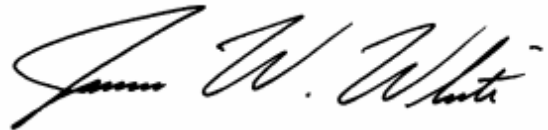
- Each pilot program will offer three classes at one school in each Grand Division. It is assumed that each class will be limited to 20 students. Nine classes with 20 students per class. 180 total students will be enrolled in the pilot program.
- Funding will be split according to the BEP funding formula.
- Nine classes will require nine teachers at a cost of \$15,900 (including salary and benefits) per teacher. Teacher salaries are split 70/30 under the BEP (state share is 70 percent and local share is 30 percent). Teacher salary for nine classes will be \$143,100. The state share will be \$100,170 and the local share will be \$42,930.
- Materials and supplies will be \$4,620 per class. Classroom components under BEP are split 75/25 (state share is 75 percent and local share is 25 percent). Instruction materials and supplies for nine classes will be \$41,580 ($\$4,620 \times 9 = \$41,580$). The state share will be \$31,185 and the local share will be \$10,395.

- Student transportation will be provided to the classes. An average of 50 percent of students are transported by bus at an average cost of \$367 per student. Transportation costs are split 50/50 under BEP. 90 students will be transported. Total transportation costs will be \$33,030 (90 students x \$367 = \$33,030). The state and local share will be \$16,515.
- State expenditures are estimated to increase \$147,880 (\$100,170 + \$31,195 + \$16,515 = \$147,880). Local expenditures are estimated to increase \$69,840 (\$42,930 + \$10,395 + \$16,515 = \$69,840).
- Pilot program is three years. Cost is assumed to be recurring for each fiscal year.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with a large initial "J" and "W".

James W. White, Executive Director

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